# C3/

#### **MUD REVISION REVIEW SHEET**

<u>CASE</u>: C12M-2014-0003 Sunfield Municipal Utility District No. 2 (MUD) Amendment to Consent Agreement and Strategic Partnership Agreement

PC DATE: February 10, 2015

PROPOSED CHANGES: The applicant proposes to amend the Consent Agreement, including the Land Plan, and Strategic Partnership Agreement to (1) allow future development to include single and multifamily residential, and commercial uses and to accommodate the construction of a public school; and (2) allow Austin Water to now serve as the retail water provider for Sunfield MUD No. 2.

APPLICANT/OWNER: A&M Option 541, LP

**AGENT**: Coats Rose (Pamela Madere)

**LOCATION OF MUD:** 1420 S. Turnersville Road, Austin, Texas 78610; The MUD is located in Austin's Limited Purpose jurisdiction, east of IH 35 along the Travis and Hays County line, south of Turnersville Road on both sides of the proposed extension of Loop 4.

**DESIRED DEVELOPMENT ZONE:** Yes

**WATERSHED:** Onion Creek, Rinard Creek, Plum Creek

**ZONING:** Interim Rural Residence (I-RR); PUD zoning case in review (C814-2014-0083)

<u>BACKGROUND</u>: In 2005 the City of Austin consented to creation of the four Sunfield MUDs, including Sunfield MUD No. 2. As part of the consideration for City consent, the City released approximately 1,500 acres of Austin's ETJ containing the other Sunfield MUD areas (1, 3, and 4) that were to be developed in the City of Buda's jurisdiction and include residential uses.

As non-city service MUDs, the terms and conditions included as part of the 2005 Consent Agreement were limited by state law. Pursuant to the terms of a Strategic Partnership Agreement between the City and Sunfield MUD No. 2, the City annexed this area for the limited purposes of planning and zoning in 2006 and an interim rural residential zoning designation was assigned to the area.

The Sunfield MUD No. 2 Consent Agreement (2005) states that the landowner shall apply for and City staff shall recommend zoning pursuant to and in accordance with the MUD Land Plan, which is Exhibit F to the original Consent Agreement. The adopted MUD Land Plan allows only the following uses: retail, office, research & development, hospital and college/university. Although inconsistent with the original Consent Agreement, approximately 93 acres were sold to the Hays Consolidated ISD in early 2014 for a proposed school. The Consent Agreement also indicates that as the City approves zoning consistent with the approved Land Plan for the entirety of the MUD No. 2, the zoning shall supersede and replace the Land Plan. In 2014 the applicant filed a zoning application requesting PUD zoning that is currently in review. The MUD remains currently undeveloped.

<u>SUMMARY STAFF CONCERNS</u>: In 2005, when the City consented to the creation of the MUDs, significant acreage was released from Austin's jurisdiction to ensure that residents of the master planned community would reside within one jurisdiction (Buda) rather than be split between two cities.

Due to location and distance from existing city limits, Austin may be challenged to provide municipal service to residents at this location comparable to other parts of the City.

Sunfield MUD No. 2 is authorized to issue a total of \$12,465,000 in bonds. The 2005 Consent Agreement authorizes the MUD to use bond proceeds to finance infrastructure including: water mains, wastewater mains, lift stations, force mains, and associated appurtenances. The capacity for the MUD to finance bonds and the potential future City tax base were reduced in 2014 with the sale of approximately sixteen percent of MUD No. 2 for a public school.

<u>DEPARTMENT COMMENTS</u>: The application to amend the Consent Agreement and Strategic Partnership Agreement was reviewed by staff members of the following departments: Austin Energy, Austin Resource Recovery, Austin Water, Fire, Law, Neighborhood Housing and Community Development, Planning and Development Review, Public Works, Transportation, and Watershed Protection.

Affordable Housing Although affordable housing was not a component of the submitted application, the applicant is working with staff to add language to the Consent Agreement regarding a commitment to affordable housing similar to the commitments made by recently approved MUDs.

Austin Water The applicant and Austin Water staff are in agreement on proposed amendments to the Consent Agreement and the Strategic Partnership Agreement regarding the provision of City retail water service to Sunfield MUD No. 2 prior to full purpose annexation. Terms and conditions are in alignment with the standard service extension process as well as the processes used for other recently created MUDs. Austin Water would benefit with the donation of a site for pumping and reservoir facilities, the extension of major water infrastructure at the MUD's cost, and the City's provision of retail water service to the property.

Fire The 2005 Consent Agreement provides for a one and one-half acre tract of developable land to be used as a fire and EMS station site. The applicant has agreed to amend the consent agreement language to ensure a site be dedicated for future use as a fire and EMS station meets the 2 net buildable acre new station requirement. Due to the extended period of time before the City is able to annex the area for full purposes and provide City service, the City has expressed interest in discussing the financial participation by the MUD to build a fire station at the designated location prior to full purpose annexation. The station would meet the standard Austin Fire Department and Austin-Travis County Emergency Medical Services design and engineering specifications for joint Fire/EMS stations. Similar to the Shady Hollow MUD station, another agency that serves the area would utilize the station during the extended period prior to full purpose annexation while the MUD continues to exist. AFD would later lease the facility or purchase the station from the MUD.

Parks PARD staff believes that the park and open space concepts for the revised MUD agreements are adequate to serve the 2,916 proposed residential units. The Sunfield MUD No. 2 will include 57 acres of

developable parkland, 136 acres of open space, and 4.5 miles of 10-foot wide low-maintenance concrete trails as indicated on the amended Land Plan. Parks will be located within one-half mile of all residences. Prior to any development, the MUD will develop a Parks Master Plan to be approved by PARD and constructed by developers. The MUD will maintain the parkland prior to full purpose annexation and a Limited District will maintain the parkland after annexation.

Transportation The amount of dwelling units planned for the entire Sunfield master planned community (approximately 4,000 in total) may warrant the consideration of alternative transportation mode accommodations facilitating the use of public transit for commuting. If more trips can be captured internally, the development will generally achieve a better balance of the multiple transportation and mobility requirements generated by various uses than if they existed on their own. Depending on the successful completion of possible transportation projects and roadway network expansions in the immediate area surrounding MUD 2, changes to the proposed development that provide for a mixture of land uses, including a range of residential and non-residential uses for MUD 2 could be accommodated. ATD will be looking for opportunities to address these issues in more detailed reviews, as the development progresses.

Currently, a zoning application is under review for a proposed change to a Planned Unit Development district (Sunfield PUD Case No. C814-2014-0083). Transportation review staff is supportive of the proposed amendment to the MUD. However, there are pending issues related to the PUD zoning case to demonstrate "Superiority" since the traffic impact analysis (TIA) has not been approved yet, and safe and adequate vehicular access for the large tract south of Main Street has not yet been provided.

Watershed Protection The applicant's proposed amendments to the MUD Consent Agreement and Land Plan do not include any to amendments to the environmental protections provided in the 2005 Agreement. Development shall conform to any applicable provisions of the City's water quality protection ordinances as the same are in effect from time to time. Residential changes to land plan will reduce impervious cover, resulting in a lower net impervious cover for this project. Environmental review staff will continue to review the PUD zoning application to ensure consistency with the terms of the amended MUD Consent Agreement.

Zoning Review In addition to the MUD amendment, the Applicant has requested a change in zoning from the interim – rural residence (I-RR) district to the planned unit development (PUD) district (City case file C814-2014-0083 – Sunfield PUD). Although the Staff review process for Sunfield PUD is ongoing, zoning staff is generally supportive of the proposed amendment to the MUD to include residential uses. Nonetheless, there are several remaining topic areas related to the PUD zoning case including affordable housing, environmental, parks, transportation and site plan/zoning that need to be addressed before it can be scheduled for consideration by the Environmental Board, Planning Commission and City Council.

#### **ATTACHMENTS:**

Exhibit A - Proposed Land Plan



#### Exhibit B – Staff presentation

<u>CONSENT AGREEMENT AMENDMENT PROCESS</u>: The proposed amendments do not qualify for administrative review. Section 25-9-253 of the City Code requires staff and boards and commissions to review and make a recommendation on the application no later than the 60<sup>th</sup> day after the date the application is filed. The City Council will act on the application no later than the second regular Thursday City Council meeting following board and commission recommendations.

WATER AND WASTEWATER COMMISSION RECOMMENDATION: Scheduled for February 11, 2015

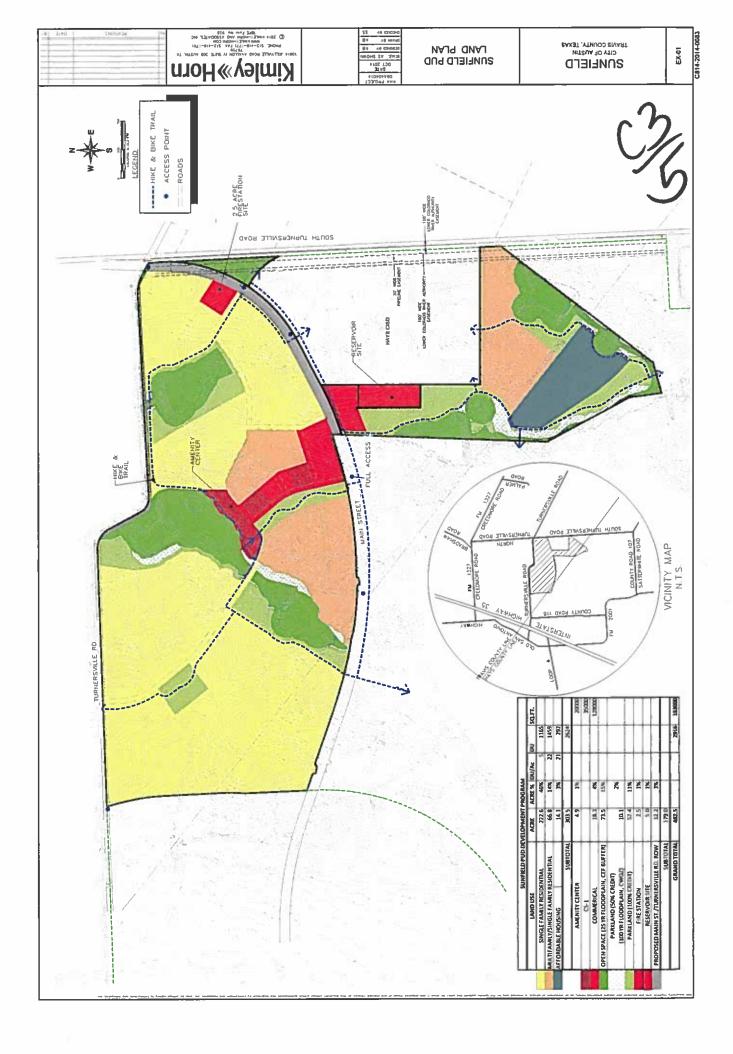
ENVIRONMENTAL BOARD RECOMMENDATION: Scheduled for February 18, 2015

PARKS BOARD RECOMMENDATION: Scheduled for February 24, 2015

CITY COUNCIL DATE: February 26, 2015 ACTION:

CASE MANAGER: Virginia Collier PHONE: (512)974-2022

Virginia.collier@austintexas.gov



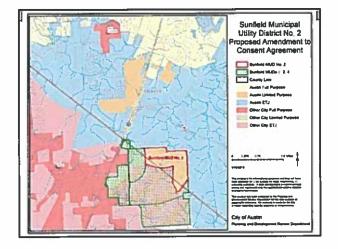


# PROPOSED AMENDMENT TO MUD CONSENT AGREEMENT

C12M-2014-0003 Sunfield Municipal Utility District No. 2 (MUD)

#### **MUD OVERVIEW**

- City consented to MUD creation in 2005
- Released MUDs 1,3, and 4 ( 1,500 ac) to Buda
- MUD No. 2 (approx 575 ac) annexed for limited purposes
- Located east of IH 35 South along the Travis and Hays County line
- Suburban Watersheds: Onion Creek, Rinard Creek, Plum Creek
- Currently Undeveloped
- Zoned Interim Rural Residence (I-RR); PUD zoning case in review (C814-2014-0083)



### APPLICANT'S PROPOSAL

Amend the 2005 Consent Agreement, including the Land Plan, and Strategic Partnership Agreement to:

- (1) allow future development to include single and multifamily residential, and commercial uses and to accommodate the construction of a public school
- (2) allow Austin Water to now serve as the retail water provider for Sunfield MUD No. 2



## APPLICANT'S PROPOSAL

2005 ADOPTED MUDILAND PLAN

Allows the following uses:

- No more than 30% Retail
- No more than 30% Office
- No more than 35%
- Research & Development
- Hospital
- College/University
- Fire/EMS Site

2015 PROPOSED MUD LAND PLAN

- 53% Residential
- 3% Commercial
- 24% Parkland & Open Space
- Fire/EMS site
- Public school (93 ac)
- Estimated build out population 6,530 persons

#### **OVERALL STAFF CONCERNS**

- In 2005, Significant acreage was released from Austin's jurisdiction to ensure that residents of the master planned community would reside within one jurisdiction rather than split between two cities
- Austin may be challenged to provide service to residents at this location comparable to other parts of the City
- The 2014 sale of a portion of the land for a public school reduces the capacity for the MUD to finance bonds as well as potential future City tax base

#### AMENDMENT PROCESS

- The proposed amendments do not qualify for administrative review.
- The City Code review process requires staff and boards and commissions to review and make a recommendation on the application no later than the 60th day after the date the application is filed.
- The Planning Commission is asked to make a recommendation to support or deny the proposal.
- The City Council will act on the application no later than the second regular Thursday City Council meeting following board and commission recommendations.

### **REVIEW SCHEDULE**

12/30/2014 Application Filed
01/30/2015 Staff Comments Due

- 02/10/2015 Planning Commission

 • 02/11/2015 Water and Wastewater Commission

• 02/18/2015 Environmental Board

- 02/24/2015 Parks Board